

g) Self –confidence

- ✓ has a strong belief in self and own abilities
- ✓ expresses confidence in own ability to complete task or meet challenges
- ✓ sticks with own judgment in the face of opposition or early lack of success
- ✓ confronts problems and issues directly
- ✓ Tells others what they have to do.

h) Persuasion

- ✓ convinces people to buy the products or service
- ✓ convinces people on providing funds
- ✓ Asserts own competence reliability and the company product.

i) Uses strategic influence and networking

- ✓ To develop business contact
- ✓ Uses influential people as agent to accomplish objectives

1.1.7 Advantages of Entrepreneurship

- Financial gains
- Self-employment which leads to job satisfaction and flexibility
- Provide job opportunities to the unemployed or those seeking better jobs.
- A means of opening up new industries especially in the rural areas-
facilitating globalization
- A source of generating income and increased economic growth.
- facilitates competition encouraging high quality products
- facilitates production of more goods and services
- Leads to the development of newer markets
- Promotes use of modern technology in especially small- scale manufacturing
to enhance higher productivity

1.1.8 Drawbacks of entrepreneurship

a) Challenges of a bidding entrepreneur

- ✓ long working hours
- ✓ poor pay
- ✓ unclear future
- ✓ fear of loosing all that has been invested
- ✓ bankruptcies and closure

b) Other challenges

- ✓ Fear of delegating
- ✓ the problem do it your self and know it all
- ✓ competition by established business
- ✓ lack of funds especially before break even
- ✓ Mis- management by employees

1.1.9 Promotion of Entrepreneurship

- ✓ Integrating entrepreneurship into the education system
- ✓ Registration to encourage risk taking

Question 2

- a) Discuss any five cultural values that would encourage the development of entrepreneurs practice 10 marks
- b) According to peter Schumpeter creativity is a key to determining aspects of entrepreneurships” briefly explain the qualities of a creative person. 10 marks

Question 3

- a) Most small scale enterprises carry out the trading activities at a central location. Outline the measures an entrepreneur would take to gain a competitive edge over her competitors 10 marks
- b) Explain the steps the Kenya government has taken in order to promote entrepreneurship. 10 marks

Question 4

- a) Explain 5 internal factors that motivate a person to become an entrepreneur 10 marks
- b) The entrepreneur has been recognized as a major contribution in the achievement of national development. Discuss. 10 marks

Question 5

- a) Explain any 5 characteristics of an entrepreneur must have in answering the question, explain whether an entrepreneur is born with the traits or they can be leaned. 10 marks
- b) Describe 5 entry requirement unto self-employment 10 marks

Formation

- ✓ According to the partnership Act (934) a partnership business may come into existence through any of the following ways.
 - i) Orally
 - ii) By actions of persons concerned
 - iii) By a simple put in written
 - iv) By a partnership deed

NB the above ways of forming a partnership are allowed by the partnership Act, However its better to remember that it may be made illegal under the following circumstances.

Circumstances under which the Partnership is illegal

- ✓ If the partnership has been formed for an illegal purpose e.g. theft.
- ✓ If is formed and the partners do not meet the minimum qualifications e.g. auditing
- ✓ Where the partnership contains more than 20 members
- ✓ Where the partnership wants to run their business with the name which does not disclose the true names of all the partners or the name had not been registered under the registration of the business Act under which it is deemed illegal.

Requirements for the Registration of a Business Name.

- ✓ Under the partnership Act , the partners must furnish the registrar of business names for the following
 - a) The business name
 - b) The general nature of the business
 - c) The principle place of location of the business
 - d) The present Christian and sir names together with their usual residential address.
 - e) The nationality of each partners
 - f) Any other occupation of the partners
 - g) The date of commencement of their business.

Types of Partners

a) General partners

- ✓ These are the real partners in new sense of the partners which refers to those partners who are the most active partners in the partnership
- ✓ In most cases the general partner is a reliable of the debts of the partnership.

b) Limited partners

- ✓ This is a partner whose liabilities are limited to the amount of capital contributed to the partnership business
- ✓ This type of partners do not usually participate in the management of the partnership becus4 if thy do they loose their limited liability in respect to the transaction and decisions participated in.